

Adrienne Edisis
Governing in the Global Age Director
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Dear Adrienne,

Enclosed you will find the 2004-2005 Governing in the Global Age Report from the state of Indiana. Much has been accomplished during the writing of this report, and I believe that the successes of the program are reflected in the actions of the delegate members.

If I can be of further assistance, please do not hesitate to contact me at (317) 232-6536.

Sincerely,

Todd Rokita
Indiana Secretary of State

cc: Representative Dan Stevenson, Representative Jerry Torr, Mayor Matt McKillip,
Mayor Wayne Seybold, Mr. Tom Clark

enc: Governing in the Global Age Report

Governing in the Global Age Report 2004-2005

Preamble

Today, as throughout the history of our United States, Indiana stands on the brink of great change and uncertainty. Hoosiers face this future with the same innate courage and practicality as their pioneering ancestors. They do so even as the complexities of the growing global market have spread to nearly every aspect of their lives. The current economic climate has made it necessary for Hoosiers to embrace their membership in the competitive global market. And not unlike the populations of other states, it has taken Hoosiers some time to learn we are no longer simply citizens of our own towns and cities but also citizens of the world. But even as Hoosiers look forward to the future, they will never forget their past.

Since its time as the “Northwest Territory,” Indiana has been known for its dense forests, rich farmland, and resilient people. These riches, while beautiful and valuable, are not mountain peaks or sandy oceans and can not be the sole foundation of the Hoosier economy. Hoosiers do know that their state is a good place to live, work, and raise a family. Indiana’s small towns continue to provide excellent places to raise children and live in communities with solid values. Another of Indiana’s great assets is our focus on education. A vibrant and growing group of exceptional educational institutions such as Indiana University, the University of Notre Dame, and Purdue University attract students and researchers from all over the world. These assets will continue to be the foundation of Indiana as it grows, changes, and becomes an equal member in the Global Age.

At the invitation of the George Washington University Elliot School of International Affairs, Indiana sent a delegation of Hoosier leaders to Washington, D.C. to participate in a program called “Governing in the Global Age.” In sharing thoughts with other state delegations, we were exposed to strategies and ideas for making Indiana a competitive participant in the new world market. This report reflects, in the spirit of the program, an honest account of Indiana’s current state and the steps Indiana has taken and plans to take in preparation for this new “Global Age.”

Indiana’s bipartisan delegation included Hoosiers from all over the state who had already made a strong commitment to boosting Indiana’s global presence in the past and wished to continue that commitment. The delegation included State Representative Dan Stevenson of Hammond, Representative Jerry Torr of Carmel, Mayor Matt McKillip of Kokomo, Mayor Wayne Seybold of Marion, high school social studies teacher Tom Clark of St. John, and Indiana Secretary of State Todd Rokita. During the summit, the delegation articulated basic goals that would act as the building blocks for continuing Indiana’s success as a global player. Knowing the potential for a 2005 General Assembly session that would bring a variety of changes to Indiana, the delegation delayed the presentation of the report until 2005 session of the Indiana Assembly was adjourned. Ultimately, Indiana lawmakers made changes to many of Indiana’s statutes aimed at

increasing the state's global profile. Where appropriate, the goals assembled during the summit are listed with their corresponding legislative efforts.

Daylight Savings Time

The adoption of Daylight Savings Time (DST) proved to be one of the most important and emotionally charged globalization initiatives of the legislative session. Delegation member Representative Torr authored this historic legislation, and as a result, Indiana will now step in time with the rest of the world. Before this change, only fifteen counties in Indiana observed DST. The state's choice to not observe time changes was demonstrably hurting Indiana's economy through the confusion of foreign and out-of-state companies trying to do business with Indiana. In addition, the time zone discrepancy between counties affected businesses statewide. Prior to the change, Indiana ran on three different time zones, making it difficult for companies in northwest Indiana to interact efficiently with companies in the southeastern corner of the state. The fact that Indiana was one of only a few states that did not observe DST also contributed to a perception that the state adhered to antiquated practices and was not a suitable destination for new businesses. Representative Torr authored this bill, ushered it through the General Assembly, and watched it signed into law by the Governor. Several delegation members supported him in this historic effort.

Many citizens of Indiana were very reluctant to accept DST. This legislation brought forth an outpouring of emotions which made its passage difficult and complex. The time zone Indiana will observe is still to be determined pending hearings to be conducted around the state by the United States Department of Transportation, but it is certain that Hoosiers will no longer be behind the rest of the world. In April of 2006, Indiana will move its clocks ahead one hour along with 47 states and 70 nations.

Government Efficiency

The delegation also wanted to increase government efficiency at all levels of state government. Delegation member Representative Stevenson co-sponsored a bill creating a commission to determine the efficiency and usefulness of state agencies. Senate Enrolled Act 30 allows the Government Efficiency Commission to review state committees and boards. The Commission then makes recommendations to the Governor as to their viability and usefulness. The ability to make government more efficient will help everyone in Indiana. By quickly identifying inefficient or wasteful practices, the government can put more money back into Hoosier pockets, and fuel the state, national, and global economy.

Northwest Indiana Development

Benjamin Franklin once said, "Any nation which leaves all her ports open to the world on equal terms will have commodities cheaper, sell its own production dearer, and be on the whole, most prosperous."

Representative Stevenson recognized the value in these principles and co-sponsored a bill that established the Northwest Indiana Transportation, Infrastructure, and Economic

Development Interim Study Commission. Northwest Indiana is an important part of Indiana's economy and will have a massive impact on Indiana's ability to compete in the global economy.

While the Northwest Indiana area is only a small section of the state, many Hoosiers understand its significance. Northwest Indiana's proximity to Chicago and its metropolitan area provide Northwest Indiana access to a large number of jobs. In addition, manufacturing makes up roughly 68% of Indiana's total export value, and Northwest Indiana provides much of that sector. For these and other reasons, the recently passed House Enrolled Act 1120 directly addresses the importance of this area. HEA 1120 established the Northwest Indiana Regional Development Authority. This infrastructure legislation puts the development of that area into the hands of regional government and provides for a broader and more objective view in the decision-making process.

Another focus for future attention will be the Gary Airport and its ability to play a major role in the development of Northwest Indiana. Chicago O'Hare airport receives hundreds, if not thousands, of domestic and international flights a day. The Gary Airport could relieve the heavy load of domestic flights that Chicago carries, allowing O'Hare the opportunity to accept more international flights.

Local Efforts

While Representatives Torr and Stevenson led significant globalization campaigns through the state legislature, delegation members Mayor Seybold and Mayor McKillip articulated changes to improve their cities' ability to compete globally.

Mayor Seybold works continuously to help bridge the gap between Marion, a city of just under 32,000 residents, and the rest of the world. As the sister city of Vladimir, Russia, Mayor Seybold has visited Russia twice, along with visits to Japan and Taiwan. Those visits led directly to Mayor Seybold and the city of Marion hosting two Russian business owners and two Japanese companies as a way to introduce his city as a potential business partner. In addition, the Marion economic development director was sent to Cincinnati in order to attend the Midwest Japan Conference, and Marion hosted the US Chamber of Commerce director at a conference on global business. While Mayor Seybold has made major strides in bringing the global economy to Marion, he and his citizens see these actions as the foundation for future global relationships.

Kokomo is also focused on building global connections, and the city's businesses have lined up in support. As the second largest employer in Kokomo, Delphi Electronics and Safety understands their responsibility to the Kokomo community and participated in Governor Daniels' Japan Trade Mission. Expansion Management Magazine honored Kokomo as the number one city in the United States for European Manufacturing Direct Foreign Investment. In an effort to expand this global reputation, Mayor McKillip hosted a number of international visitors and participated in the international festivals of several local schools, including the Kokomo campus of Indiana University. The city also co-sponsors the annual Oktoberfest in celebration of their German heritage. Through their

large global agenda, Mayor McKillip and the city of Kokomo have brought an international focus to their town. The city is not only internationally recognized for its focus on international business but also fosters a civic pride in cultural diversity.

Sister Cities

The delegation wanted to encourage Indiana cities and towns to participate in the Sister Cities program. As mentioned earlier, Mayor Seybold and the town of Marion are sister cities with Vladimir, Russia. Through the Sister Cities program, Indiana cities learn the unique culture of a city and country thousands of miles away. Currently twenty-four Indiana cities participate in the Sister Cities program, joining with cities in seventeen countries including Germany, Taiwan, Cuba, Nicaragua, Japan, United Kingdom, Macedonia, Bulgaria, Poland, Nigeria, Italy, Canada, Slovenia, Brazil, Russia, France, and Switzerland. The interaction the citizens of these cities have with one another allows Hoosiers to understand the world outside of Indiana, and it allows for people in other countries to learn about our great state. This partnership provides focus for contacts between the two cities, in hopes that this interaction will bring jobs, recognition, or other opportunities to these communities and to the state of Indiana.

In 2006, Sister Cities International will be hosting its 50th Anniversary. To celebrate this, Mayor McKillip and the city of Kokomo are considering hosting a Community Summit on Citizen Diplomacy. This summit would help residents of Kokomo become aware of citizen diplomacy and integrate international interaction into the every day life of citizens. At the National Summit on Citizen Diplomacy, representatives from around the nation would review the ideas and action plans of cities like Kokomo.

Education

The Indiana delegation concluded that Indiana's success in a globalized world would depend on the quality of its educational system and the ability of students to explore other cultures and ideas. Globalization is not possible unless individuals can effectively communicate across cultural boundaries.

Our community colleges are invaluable in this effort and provide affordable, continuing education opportunities for non-traditional students. In addition, community members can learn from current entrepreneurs. Indiana's other colleges and universities provide outlets for international education with sixteen of Indiana's post secondary institutions providing degrees in international studies and/or international business. Along with these degree programs, most schools have study-abroad programs to allow students to experience other cultures firsthand.

Legislative efforts in Indiana continue to promote job creation incentives and target growing sectors of the economy. We have begun to more effectively utilize our universities and colleges as partners in this process by establishing programs aimed at advanced manufacturing, life sciences, information technology, and 21st century logistics.

A prime example of this effort is Purdue University's Bio-Crossroads initiative aimed at advancing life sciences through research and corporate partnerships.

Secretary of State

Under the leadership of Secretary Rokita, and through his work with the Corporate Law Survey Commission, the Secretary of State's office during the 2005 legislative session proposed legislation to strengthen and promote business in Indiana. These proposals included an expansion of the signatory authority for business entity report filing. This allows companies to file their Business Entity Reports electronically, streamline shareholder consent, and expedite other corporate transactions. In a time when keeping Indiana companies based in Indiana is of vital importance, this legislation was yet another piece of the overall plan to keep the state an attractive place for domestic and international businesses to incorporate and operate.

In 2005, House Enrolled Act 1165 expanded who is able to sign and submit business entity reports on behalf of a business. Prior to the passage of this law, only officers, directors, incorporators, and those with a fiduciary duty to submit the reports were able to file. The law now allows a registered agent, a certified public accountant, or an attorney employed by the business to execute and submit those reports. Indiana has struggled to keep its domestic companies vibrant and at home, and this legislation provides a progressive and common sense approach to helping Indiana companies grow and prosper. As a result of these changes, a vibrant Indiana business climate encourages foreign companies to locate their operations within Indiana.

As Americans, we take pride in our belief for the Republic for which we stand. An integral part of this Republic is our electoral system, which is observed, judged, and imitated throughout the world. Recent events have exposed faults in that system. As chief election officer for the state, Secretary Rokita dedicates much of his time to ensuring Indiana's elections are fair and efficient and that Hoosiers have the utmost confidence in the process and results. This past fall in the wake of several close and contested races, Indiana held an election with few flaws. Hoosiers remained an example to the rest of the United States and to the world on how an election should be conducted. With the passing of Senate Bill 483, Indiana is a leader in enforcing photo identification at the polls on Election Day. While several states require some form of identification when voting, Indiana is the first to pass a law requiring the identification to be issued by the government and have a photo. By putting integrity back into our elections, Indiana becomes a model for the rest of the world.

In Indiana, the Securities Division of the Secretary of State's office focuses on making investors aware of the numerous types of fraud and scams aimed at them. Indeed, not only Hoosiers, but investors everywhere, need to be educated on the possibility of fraud. This is especially true as the market continues to expand and become more global. It has become one of the Secretary's most important goals to provide Hoosiers with the educational materials necessary to make wise investments.

In an effort to provide “service on your schedule,” the Secretary of State’s office continues to work with other agencies to match databases and share captured information. Customers of the State of Indiana from anywhere in the world will be able to communicate easily with the agencies they deal with on a regular basis. Since April 2004, almost 86,100 filings have been completed online. This represents a 753 percent increase in online filings since last year.

Finally, Secretary Rokita has traveled to Taiwan and Vietnam as an informal ambassador from Indiana. In 2003, Rokita accompanied a delegation of fellow secretaries of state to Taiwan in order to observe election efforts, and in 2005, Rokita led a delegation of American political leaders to Vietnam. On both occasions, Secretary Rokita worked to develop economic relationships between the host countries and Indiana businesses.

Goals yet to be accomplished

While in recent months and years Indiana made significant globalization changes, there is still much work to be done. One of these goals is to provide first and second grades students with an education in foreign language. Due to Indiana’s budget deficit, schools do not have the funding for such programs. However, teaching young students a foreign language will open many doors in addition to exposing students to other cultures.

Indiana’s military bases are also tools that could be used to provide global education. Unfortunately, due to federal military budget cuts, these plans cannot be actualized because Indiana is struggling to keep military bases such as Crane ’s Naval Surface Warfare Division. Until we know our bases are safe, we cannot utilize them to the fullest extent possible.

Summary

Indiana continues to push its way into the global community through various initiatives focused on positive growth for the entire state. Each member of the delegation realizes the importance of keeping their eyes and ears open for opportunities to globalize. Working together at all levels of government will ensure that the Hoosiers State is an up a coming player in the global game.